

E-002/M-93-77 ORDER GRANTING VARIANCE

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Don Storm	Chair
Tom Burton	Commissioner
Cynthia A. Kitlinski	Commissioner
Dee Knaak	Commissioner
Norma McKanna	Commissioner

In the Matter of Northern States	ISSUE DATE: March 25, 1993
Power Company's Notice to the	
Commission Regarding the	DOCKET NO. E-002/M-93-77
Company's Intent to Reroute	
Meters Beginning in March 1993	ORDER GRANTING VARIANCE
and to Prorate Bills to Affected	
Retail Customers	

PROCEDURAL HISTORY

On January 27, 1993, Northern States Power Company (NSP or the Company) filed a letter with the Commission regarding the Company's proposed rerouting of approximately 20,000 NSP retail customers in the St. Cloud area. To implement the rerouting, the Company would generate one cycle of bills based on periods from 17 to 40 days long. All bills reflecting periods longer or shorter than the normal 30 days would be prorated as required by Commission rules. The Company stated that it would not need a variance from Commission rules to effect the rerouting as proposed. In the event the Commission did require a variance, the Company asked that its letter be considered a request for variance.

On March 1, 1993, the Department of Public Service (the Department) filed comments. The Department stated that the Company's planned billing practices would comply with Commission rules, and a variance would therefore not be necessary. The Department recommended acceptance of the Company's plan for notifying customers of the rerouting.

The matter came before the Commission on March 18, 1993.

FINDINGS AND CONCLUSIONS

Minn. Rules, part 7820.3300 governs issues of meter readings and billing periods. This rule reads in part as follows:

Readings of all meters used for determining charges to customers shall be made each month unless otherwise authorized by the Commission upon petition by the utility. The term "month" for meter reading and billing purposes is the period between successive meter reading dates which shall be as nearly as practicable to 30-day intervals. When a utility is unable to gain access to a meter, it shall leave a meter-reading form for the customer.

If the billing period is longer or shorter than the normal billing period by more than five days, the bill shall be prorated on a daily basis.

NSP regularly reviews its meter reading routes in order to add newly connected customers or to increase meter reading efficiency. In this case, its review uncovered the need to reroute all St. Cloud area retail customers. The rerouting would result in a temporary disruption of the normal 30 day billing period.

Because NSP planned to prorate bills when required under Minn. Rules, part 7820.3300, the Company believed it had fully complied with the rule and no variance was necessary. The Department supported the Company in this position.

The Commission finds that this view fails to take into consideration a specific requirement of the rule:

Readings of all meters used for determining charges to customers shall be made each month **unless otherwise authorized by the Commission upon petition by the utility.** (Emphasis added).

The rule clearly states that permission from the Commission must be requested and obtained before a planned deviation from the 30-day billing cycle takes place. If permission is granted by the Commission, prorating must take place when required under the rule. Compliance with the requirement of prorating does not render petitioning for authority unnecessary.

The Commission will, therefore, consider NSP's January 27, 1993 letter a request for a variance from Minn. Rules, part 7820.3300.

Minn. Rules, part 7830.4400 provides that the Commission shall grant a variance upon a finding that the following factors are satisfied:

1. Enforcement of the rule would impose an excessive burden upon the applicant or others affected by the

rule;

2. Granting of the variance would not adversely affect the public interest; and
3. Granting of the variance would not conflict with standards imposed by the law.

In this case, the Commission finds that the petition meets the standards set under the rule and the variance should be granted. Requiring adherence to the 30-day billing requirement would impose an excessive burden by limiting the Company's ability to make necessary adjustments to the billing system through rerouting. The public interest would not be adversely affected by the variance; ratepayers would actually be benefitted through increased billing efficiencies. Granting of the variance would not conflict with any Commission statute or rule.

Finally, the Commission accepts NSP's customer notification proposal, as recommended by the Department.

ORDER

1. NSP is granted a variance from Minn. Rules, part 7820.3300 for the rerouting of St. Cloud area customers.
2. NSP's proposal for customer notification is accepted.
3. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Richard R. Lancaster
Executive Secretary

(S E A L)